

Internal Revenue Service

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Department of the Treasury
Washington, DC 20224

[Third Party Communication:
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Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:INTL
PLR-113297-06

Date:
September 06, 2006

LEGEND

Taxpayer =

DE A =

DE B =

DE C =

DE D =

DE E =

DE F =

DE G =

DE H =

DE I =

DE J =

DE K =

DE L =

DE M =

DE N =

DE O =

DE P =

Tax Year One =

Tax Year Two =

Tax Year =

Three

Tax Year Four =

Tax Year Five =

Country Y =

S percent =

T percent =

Dear _____ :

This replies to your representative's letter dated January 31, 2006, in which your representative requests on behalf of Taxpayer an extension of time under Treas. Reg. §301.9100-3 for Taxpayer to file the annual certification described in §§1.1503-2(g)(2)(vi)(B) and 1.1503-2T(g)(2)(vi)(B) in accordance with Schedule A, which is attached to and made a part of this ruling letter. The information submitted for consideration is substantially as set forth below.

The ruling contained in this letter is predicated upon facts and representations submitted by Taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. This office has not verified any of the material submitted in support of the request for a ruling. Verification of the factual information, representations, and other data may be required as a part of the audit process.

Taxpayer was the common parent of a group of corporations that filed a consolidated U.S. income tax return for the tax years at issue in this ruling letter. Taxpayer owned one hundred percent of the interests of the dual resident corporations and separate units listed on Schedule A, with the exception of two partnerships, DE H and DE J, in which Taxpayer owned an S percent and T percent, respectively. Pursuant to Treas. Reg. §1.1503-2(c)(3), these partnership interests were considered separate units and were treated as dual resident corporations. Furthermore, three entities, DEs N, O and P, elected to be treated as domestic corporations pursuant to I.R.C. §1504(d). As such, these entities were also considered dual resident corporations under §1.1503-2(c)(2).

The facts and affidavit submitted indicate that Taxpayer relied on the tax professionals in its tax department to submit the annual certification statements under Treas. Reg. §§1.1503-2(g)(2)(vi)(B) and 1.1503-2T(g)(2)(vi)(B) by attaching the required annual certifications to its consolidated U.S. income tax returns for Tax Years Two through Five. As a result of an inadvertent oversight by the professional staff, the annual certification statements for the entities and tax years shown on Schedule A were not attached to those tax returns.

Taxpayer represents that it filed this application for relief before the Internal Revenue Service discovered Taxpayer's failure to file these annual certifications.

Taxpayer represents that the income tax laws of Country Y _____ do not deny the use of losses, expenses, or deductions of DE M to offset income of another person because the hybrid entity separate unit is also subject to income taxation by another country on its worldwide income or on a residence basis.

Treas. Reg. §301.9100-1(c) provides that the Commissioner has discretion to grant a taxpayer a reasonable extension of time, under the rules set forth in §301.9100-3, to make a regulatory election under all subtitles of the Internal Revenue Code, except subtitles E, G, H, and I.

Treas. Reg. §301.9100-1(b) provides that an election includes an application for relief in respect of tax, and defines a regulatory election as an election whose due date is prescribed by a regulation, a revenue ruling, revenue procedure, notice, or announcement.

Treas. Reg. §301.9100-3(a) provides that requests for relief subject to this section will be granted when the taxpayer provides evidence (including affidavits described in §301.9100-3(e)) to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith within the meaning of §301.9100-3(b), subject to the conditions set forth in §301.9100-3(b)(3), and the grant of relief will not prejudice the interests of the Government within the meaning of §301.9100-3(c).

In the present situation, the annual certification described in Treas. Reg. §§1.1503-2(g)(2)(vi)(B) and 1.1503-2T(g)(2)(vi)(B) is a regulatory election as defined in §301.9100-1(b). Therefore, the Commissioner has discretionary authority under §301.9100-1(c) to grant Taxpayer an extension of time, provided that Taxpayer satisfies the rules set forth in §301.9100-3(a).

Based on the facts and representations submitted, we conclude that Taxpayer satisfies the standards for relief as set forth in Treas. Reg. §301.9100-3. Accordingly, Taxpayer is granted an extension of time of 60 days from the date of this ruling letter for Taxpayer to file the annual certification described in §§1.1503-2(g)(2)(vi)(B) and 1.1503-2T(g)(2)(vi)(B) in accordance with Schedule A.

A copy of this ruling letter should be associated with the annual certifications.

The granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file the annual certifications. Treas. Reg. §301.9100-1(a).

This ruling is directed only to Taxpayer, who requested it. I.R.C. §6110(k)(3) provides that it may not be used or cited as precedent.

No ruling has been requested, and none is expressed, as to the application of any other section of the Code or regulations to the facts presented.

Pursuant to a power of attorney on file in this office, a copy of this ruling letter is being furnished to your authorized representative.

Sincerely,

Associate Chief Counsel (International)

By: /s/ Meryl Silver

Meryl Silver

Office of the Associate Chief Counsel (International)

Enclosures:

Schedule A

Copy for 6110 purposes

SCHEDULE A

LEGEND

A = Annual certification described in Treas. Reg. §1.1503-2(g)(2)(vi)(B)
 B = Annual certification described in Treas. Reg. §1.1503-2T(g)(2)(vi)(B)
 TYE 1 =
 TEE 2 =
 TYE 3 =
 TYE 4 =
 TYE 5 =

	TYE 2	TYE 3	TYE 4	TYE 5
DE A			B (TYE 3 DCL)	
DE B			B (TYE 3 DCL)	
DE C			B (TYE 3 DCL)	
DE D			B (TYE 3 DCL)	
DE E			B (TYE 3 DCL)	
DE F			B (TYE 3 DCL)	
DE G		A (TYE 2 DCL)	B (TYE's 2/3 DCLs)	
DE H			B (TYE 3 DCL)	
DE I			B (TYE 3 DCL)	
DE J			B (TYE 3 DCL)	
DE K			B (TYE 3 DCL)	
DE L			B (TYE 3 DCL)	
DE M		A (TYE 2 DCL)	B (TYE 2 DCL)	
DE N	A (TYE 1 DCL)	A (TYE's 1/2 DCL)	B (TYE's 1/2/3 DCL)	B (TYE's 1/2/3/4 DCLs)
DE O	A (TYE 1 DCL)	A (TYE's 1/2 DCLs)	B (TYE's 1/2/3 DCLs)	B (TYE's 1/2/3/4 DCLs)
DE P		A (TYE 2 DCL)	B (TYE's 2/3 DCLs)	B (TYE's 2/3/4 DCLs)